IN THE SPECIFICATION:

Please replace the Abstract with the following amended paragraph:

The present invention provides a liner hanger and a method of hanging a liner in a wellbore. In one aspect, a process for setting a liner in a wellbore is provided in which a tubular having a slip formed on an outer diameter of the tubular at a first location and a preformed bypass for circulating a fluid disposed at a second location is set and expanded into substantial contact with an inner diameter of the wellbore, a casing, or another liner. In another aspect, a process for setting a liner in a wellbore is provided in which a tubular having a slip formed on an outer diameter of the tubular at a first location is placed in the wellbore, a bypass for circulating a fluid is formed downhole, the liner is set and expanded into substantial contact with an inner diameter of the wellbore, a casing, or another liner. In yet another aspect, a process for creating a liner top seal is provided in which the liner is set by expanding a protrusion in an upper end of a tubular into substantial contact with an inner diameter of the wellbore, and the upper end of the tubular is then reformed and expanded into substantial contact with the inner diameter of the wellbore~~,~~.

Please replace paragraph [0006] with the following amended paragraph:

[0006] One use for expandable tubulars is to hang one tubular within another. For example, the upper portion of a liner can be expanded into contact with the inner wall of a casing in a wellbore. In this manner, the bulky and space-demanding slip assemblies and associated running tools can be eliminated. One problem with expandable tubular technology used with liners relates to cementing. Cementing is performed by circulating the uncured cement down the wellbore and back up an annulus between the exterior of the liner and the borehole therearound. In order for the cement to be circulated, a fluid path is necessary between the annulus and the wellbore. Hanging a liner in a wellbore by circumferentially expanding its walls into casing seals the juncture and prevents circulation of fluids. In order to avoid this problem, liners must be either temporarily

hung in a wellbore or, more preferably, partially expanded prior to cementing whereby the liner is suspended in the casing but a fluid path remains back to the surface of the well. The problem is usually addressed by partially expanding the liner in order to hang it in the wellbore and then finishing the expansion after the cementing is done but prior to the curing of the cement. However, the tools for expanding tubulars are typically designed to expand the tubular in a circumferential fashion and cannot be effectively used to only partially expand the tubular.

Please replace paragraph [0007] with the following amended paragraph:

[0007] Therefore, there is a need for a liner hanger apparatus and method that permits a liner to be hung in a well and also permits a fluid path around the liner, at least temporarily. There is a further need for a liner hanger that can be partially expanded into a casing but leaves a fluid path therearound. Additionally, there is a need for improved expandable liner hangers with a means for circulating fluids therearound.

Please replace paragraph [00025] with the following amended paragraph:

[0025] Referring again to Figure 3, the assembly includes the liner hanger 420 having one or more slips 440 disposed on one or more legs 335, one or more bypass areas 450, a sealing member 460, and carrying dogs 430. The sealing member 460 is disposed on the outer diameter of the liner hanger 420 below the slip 440. Alternatively, slips may be placed above and below the sealing member 460. The run-in string 470 is open at a lower end 480 to permit fluid, such as cement, to pass through the apparatus and to circulate back to the surface of the well through an annulus 490, between the liner hanger 420 and the wellbore 400, and the bypass 450 formed in the liner hanger 420. A bridge plug 495 ~~is~~ disposed below the assembly prevents fluid from flowing upwards through the inner diameter of the liner hanger 420.

Please replace paragraph [00042] with the following amended paragraph:

[0042] When a desired level of cement is achieved, a ball 731 is deposited in ball seat 730 of the expansion tool 100. With the ball in place and the expansion tool 100 located adjacent the liner hanger 420, fluid is diverted from the central bore of the tool 100 to rollers 116 which are urged outwards to contact the wall of the liner hanger 420. Preferably, at an upper end of the expansion tool 100 are a plurality of non-compliant rollers 103 constructed and arranged to initially contact and expand or reform the tubular 420 prior to contact between the tubular 420 and fluid actuated rollers 116. The expansion tool 100 exerts forces against the wall of the tubular 420 therearound while rotating and, optionally, moving axially within the wellbore 400. The liner hanger 420 is then expanded past its elastic limit and into substantial contact with the inner diameter of the wellbore 400. In this aspect, a liner top seal is ~~created~~ aided by the sealing member 460. Once the liner hanger 420 has been expanded, a pressure above the rated limit of the frangible ball seat 730 is created allowing the ball to pass to the bottom of the wellbore 400 and fluid to pass through the lower end 480 of the run-in string 470 facilitating removal of fluid in the run-in string 470 during removal from the wellbore 400.